MR. CHAIRMAN; "Collusion by the Supreme Court," no Member is permitted, to insinuate that.

SHRI BIR BHADRA PRATAP SINGH: Sir, how can the matter be brought before the Supreme Court? Supposing no counter is filed. *(Interruption).* No, no, I explain it.

MR. CHAIRMAN; Please follow me. You cannot insinuate any collusion so far as the Supreme Court is concerned. That is the established convention of the House.

SHRI BIR BHADRA PRATAP SINGH; No, no, I have not suggested that.

MR. CHAIRMAN; Then choose yours words carefully.

SHRI BIR BHADRA PRATAP SINGH: No, no. I am suggesting that those who are doing *pairvi,* they did *pairvi* so far as other cases were con. cerned and the stay was confirmed. But why did not they do *pairvi* in these three cases? That is why the stay was vacated.

SHRI Z. R. ANSARI: Sir, this is a wrong assumption. Sir, the *pairvi* has been done quite honestly and the Hon'ble Supreme Court, after appointing a technical Committee and after taking a report from them, they have taken a docision that these are the three mining companies which are doing mining with the least adverse affect on the ecology. Therefore, they have allowed them and because it is outside the Mussoorie Municipal limits, it has been challenged by an affidavit presented to the Supreme Court by the petitioners.

DR. YELAMANCHILI SIVAJI; Sir, from the discussion it appears that there is a lacuna in the law. Four mine owners are operating there with the order of the Supreme Court. Is the Government contemplating to amend law to overcome this flaw?

SHRi Z. R. ANSARI; I would not understand the question. Will you please repeat again?

DR. YEJ.AMANCHILI SIVAJI: Four companies are mining there with the order of the Hon'ble Supreme Court. It appears that there is a lacuna in the law so that they can operate there with their order. Is the Government contemplating to amend the existing law of the land to see that the judgment of Hon'ble Supreme Court may be overcome?

SHRI Z. R. ANSARI: Sir, presently, we have no proposal to amend the law as far as these mining operations are concerned. These mining operations have been allowed taking all care for the preservation and conservation of the ecology of that area. The Hon'ble Supreme Court has come to a conclusion that these four mining operations which are the least harmful for the ecology of that area and therefore, they have allowed. At present, we have no proposal for amending any law.

Reduction in Non-Developmental Expenditure

*287. SHRI V. NARAYANSAMY: Will the Minister of FINANCE be oleased to state:

(a) whether it is a fact that the non-developmental expendture shot-up in spite of the clear directives issued by the Central Government as per the Reserve Bank of India report for the years 1987-88 and 1988-89; and

(b) if so, what steps Government are taking to reduce the non-develop mental expenditure so as to invest more funds in the developmental activities?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B. K GADHVI); (a) According to statistics published by Reserve Bank of India the growth rate in non-deve-

lopmentai expenditure which was 17.5 per cent in 1987-88 came down to 15.9 per cent in 1988-89.

(b) Government have been taking all possible measures to keep the non-developmental expenditure to the absolute minimum necessary level.

SHRI V. NARAYANASAMY: Mr. Chairman, Sir, the hon. Minister has stated about the decline in the growth rate. I would like to give figures from the Reserve Bank of India report itself which says, the share of non-developmental expenditure which has been disbursed to the States has gone from 22.8 per cent in 1987-88 to 26 per cent in 1988-89. (Interruption).

SHRI A. G. KULKARNI: To GDP or NDP. You have to say that. Then you can come to it.

SHRI V. NARAYANASAMY: Sir. I would like to show the amounts allocated for developmental activities have gone down from 70.6 per cent to 67.4 per cent. Therefore, I would like to know from the hon. Minister what were the main reasons for the enormous increase in the non-developmental expenditure area when compared to developmental expenditure area. Have any guidelines been given to the States by the Finance Ministry to control the expenditure in this regard?

SHRI B. K. GADHVI: Sir, there is a misapprehension about the terms 'non-developmental' and 'non-plan'. As a matter of fact, if you go through the standards of the Reserve Bank of India, though in the Government of India we may consider the subsidies for food, fertilizer and agricultural inputs as non-plan expenditure, the Reserve Bank of India considers them as developmental expenditure and not non-developmental. But, as I have said in my main answer, we have tried to see that the growth percentage comes down. The three main areas whjich Constitute more than 67 Per cent of the non-plan expenditure or n-n-developmentai expenditure, are interest, defence and grants to the States. The hon. House would be pleased to note that in the area of interest, the percentage in 1986-87 was 23.9 and it has come, down to 23.1. In the area of defence, the percentage in 1986-87 was 14.5 and even without compromising or diluting our defence preparedness, it has been brought down to 8.33. And grants to the States and the Union Territories for non-developmental purposes has gone up from 2.9 in 1986-87 to 10.1 per cent. Even in the area of police, the per-centage in 1986-87 was 20.9 and it has been brought down to 12.2. Thus, the hon. Member would be pleased to appreciate, we are trying to contain the expenditure in non-developmental areas. But, at the same time, I would like to explain that even in what we technically call non-plan areas once we create an asset, we cannot stop expenditure. For example, the area of services and maintenance. Technically it may be a non-plan field. But you cannot stop that expenditure. If you have created a hospital, you have to run it by payment for doctors, nurses and other staff and medicine. If you create a school, you have to run it by paying the staff. Therefore, as we go on creating assets in areas of non-plan expenditure, the expenditure is bound to be high in terms of quantum of money. But percentage-wise we are trying to bring it down.

SHRI V. NARAYANASAMY: Mr. Chairman, Sir, part (b) of my question has not been clearly answered. In part (b) of the question I have specifically asked as to what steps the Government is taking to contain non-developmental expenditure so as to invest more funds in developmental activities. The reply is too general. The reply by the Minister is that the Government has been taking all possible measures. Sir, I would like to know the specific areas in which the Government is applying its mind for the purpose of reducing the non-plan expenditure. Why I am saying thi$_s$ is, Sir, 18 States have submitted their budgets. All of them

have submitted deficit budgets. They have to mobilise resources in the States. Only 10 States have given resource mobilisation figures which were only Rs. 392 crores. But the deficit has gone up to Rs. 1750 crores for the year 1988-89. Therefore, I would uka to know from the hon. Minister what specific steps the Government is taking. The Minister has given a very general answer for the purpose of containing non-developmental expenditure.

SHRi B. K. GADHVI; Sir, it would not be prudent on my part to say anything about the fiscal management of the States. However,, I woul(j like to say, last year, the nation had undergone a very severe drought and the combat of drought difficulties put a tremendous pressure on the economy. Inflation was contained and it was contained very brilliantly. That was appreciated by everybody. In the are$_a$ of non-developmental expenditure, the Government has endeavoured to keep it at the minimum level and we have taken a number of measures. For example, to reduce expenditure, we have put curbs on travel expenses, entertainments, non-essential seminars, conferences, publication, furnishing, fuel consumption, etc And all the departments and ministries of the Government of India have been asked to look to their own priorities and contain expenditure. And that is why we have achieved this result.

SHRI A. G. KULKARNI: I am a little surprised with the honourable Minister's reply to the query. The basic point is the growth rate of expenditure. Growth rate of expenditure is calculated in percentage to the total expenditure. As per the inflation the value of expenditure increases and naturally the growth rate might have been 1 to 2 per cent down. I am concerning myself with the total non-developmental Government expenditure to the total Government expenditure as per the Centre for Monitoring- Indian Economy. They have stated that Rs. 95,000 crores was the total expenditure in 1986-87. That figure I have got. And it comes to 35 per cent of GDP. That is why I want to know specifically from the honourable Minister whether this Rs. 95,000 crores is 35 per cent of the GDP of this nation. That is one. Second, he has rightly said and I have no objection to that, there are so many subsidies, subsidy for debt servicing, defence, agriculture, etc. 3o far as subsidy for agriculture is concerned, it is not really subsidy to the agriculturist, it is subsidy to the fertilizer projects, not to the agriculturist. It cannot be called like that. It is on record that the Prime Minister has said out of the developmental expenditure just 15 to 16 per cent only really goes for development, the balance is eaten awa-,- by bureaucrats. In this connection I would like the Minister to be ver-y frank and either corroborate or deny the ngures which I have given.

MR. CHAIRMAN: Please give a frank answer.

SHRI B. K. GADHVI: I am always frank with the House. I quite appreciate the query put by the honourable Member. With regard to the percentage of GDP perhaps right now I may not be able to give him the figures. But I can give figures regarding non-development and development expenditure. In 1986-87 non-development expenditure was Rs. 26,060 crores; in 1987-88 it was Rs. 30,623 crores and in 1988-89 it is Rs. 35,477 crores. Therefore, yearwise percentage of growth... *(Interruption).*

श्री विठ्ठल भाई मोतीराम पटेल : 1988–89 का कहां पूरा हुआ ?

श्री बी० के० गढ़वी : हमने बजट इस्टीमेट आपको बता दिया है, 35,477 करोड़।

SHRT A. G. KULKARNI; So there is growth in non-development expenditure. I am quoting from the CMIE report—Rs. 95,000 vrores . . .

SHRI B. K. GADHVI: Would you please bear with me for a minute?

SHRI A. G. KULKARNI: Why, I can bear with you for one hour. I want a specific answer.

SHRI B. K. GADHVI: So far as development expenditure is concerned, in 1936-87 it was Rs. 35,498 crores; in revised estimates in 1987-88 it was Rs. 37,624 crores; in the Budget Estimates of 1988-89 it was Rs. 40,279 crores. Therefore, the increase in the area of non-development from 17.5 per cent it came down to 15-9 and in the development expenditure it was 6 per cent and it increased to 7.1 per cent. Sir, I would like to confine myself to non-developmental expenditure only. The honourable Member has mentioned a particular percentage saying that it is eaten away—he has termed it like that—by some bureaucrats c»r by somebody else with which I would not like to agree. I do not agree with him. Anyway, even in the Plan projects, in the case of Plan expenditure, staff or manpower and other essentials are part of the Plan projects and they are considered to be essential and, therefore, they should not be termed as non-Plan expenditure because once you have a project, then you should have the staff to manage the project, to implement the project, to implement the services and there should be staff to implement everything. Therefore to bifurcate it in a hair-splitting manner would not be a proper approach to the whole question.

MR. CHAIRMAN; Yes, Prof. Lakshmanna.

SHRI A. G. KULKARNI: Sir, I am not bifurcating it in a hair-splitting manner. I am concerned with the country's economy and I am not saying anything for the sake of sensationalism. I have asked him what is its percentage in the GDP and he is giving certain figures. The fire is on this side and the fire-fighting equipment is on that side. So, you please direct him, Sir.

SHRI B. K. GADHVI: Sir, he has put a supplementary about the overall economy, of the Government of India as well as of the States, and our answer is pertaining to the Government of India at the Centre and that is what I am giving him... *(Interruptions)* ___

SHRI A. G. KULKARNI: You please tell me what GDP is . . . *(Interruptions).* .....

MR. CHAIRMAN; Mr. Kulkarni wants to know what its percentage of GDp is.

SHRI B. K. GADHVI: Sir, at the moment, I am not in a position to give it. The question is about the total of the States as well as of the Centre . • . *(Interruptions)* . . .

SHRI A. G. KULKARNI: Sir, let him lay it on the Table of the House . . . *(Interruptions)...*

MR. CHAIRMAN: Yes, he will let you know. Yes, Prof. Lakshmanna.

PROF. C. LAKSHMANNA; Sir, the question is whether it is a fact that the non-developmental expenditure shot up during the years 1987-88 and 1988-89 and the answer is that it has come down from 17.5 per cent in 1987-88 to 15.9 per cent. My question is very simple. We are in the eighth month of this year.

SHRI JAGESH DESAL Exactly.

PROF. C. LAKSHMANNA: We are in the eighth month of 1988-89. I would like to know from the honourable Minister whether the figure which he has mentioned, this 15.9 per cent, is the actual up to the end of the eight months or whether he has given only what has been the budget estimate.

SHRI JAGESH DESAI: That is right.

PROF. C. LAKSHMANNA: I would also like to know whether what has been stated as 17.5 per cent is the

budget estimate or whether it is the actual expenditure. If it had been the actual, then you cannot make two incomparables as comparable.

SHRI JAGESH DESAI; Correct.

PROF. C. LAKSHMANNA: Therefore, I would like to know from the honourable Minister what has been the exact amount of non-developmental expenditure in 1987-88 and what is the exact non-developmental expenditure in the year 1988-89 up to the eighth month. If we have to consider the figure as actual, then it will be 20 per cent or something or much more than that. Therefore, I would like to know from the honourable Minister not what has been given in the budget estimates, but the actual figures. The question pertains to the actuals and not to the budget estimates.

SHRI B. K. GADHVI: Sir, I have already given the figures. Anyway, I would repeat them for his benefit.... *(Interruptions)*...

MR. CHAIRMAN; The question is very simple.

SHRI JAGESH DESAI; It is a very simple question... (Interruptions)...

MR. CHAIRMAN: He is asking about the actuals.

SHRI B. K. GADHVI: That is what I am giving. So far as 1987-88 is concerned, the revised estimate figure I have given and it is Rs. 30,623 crores. So far as 1988-89 is concerned, I have given the budget estimate of Rs. 35,477 crores . . . *(Interruptions)* . . .

PROF. C. LAKSHMANNA; What is the actual up to the end of the eighth month of 198-89?...(Interruptions)...

SHRi JAGESH DESAI; Sir, the answer is very misleading... *(Interruptions)* . . .

MR, CHAIRMAN: Have you got the figures of the actuals for eight months? You have to say, "Yes" or "No". That is all... *(Interruptions)*...

SHRI B. K. GADHVI: Presently we have got only the tentative figures... *(Interruptions)*...

MR. CHAIRMAN; Will you give the figures later?

SHRI B. K. GADHVI; Sir, this is our budget estimate which I am giving and I am not able to give right now the other figures... *(Interruptions)*..

SHRi JAGESH DESAI: How can it be? . . . *(Interruptions)* . . .

MR. CHAIRMAN: Can you give the tentative figures?... *(Interruptions)*. .

SHRI B, K. GADHVI; I have given the figures according to the budget estimates for 1988-89 . . . *(Interrup. tions)* .....

SHRI JAGESH DESAI; How can that he? . *(Interruptions)* ...

MR. CHAIRMAN; He does not have those figures. The matter ends. Mr. Desai, he does not have those figures. It is too early to get the figures. *(In. tcrruptions)* .....

PROF. C. LAKSHMANNA: The answer given is that the expenditure has come down. *(Interruptions)*.

SHRI B. K. GADHVI: I think they have not understood. What I stated was that the revised estimate for 1987 88 was 30,623, the budget estimate for 1988-89 is 35,477, the percentage increase was 17.5, and now as per the figures available at this juncture of time it is 15.9 per cent. *(Interruptions)*

SHRI A. G. KULKARNI: The quantum of money is increasing because of the value, inflation. *(Interruptions)*.

MR. CHAIRMAN: No arguments, please. He told you that he did not have the figures about actuals. He can give tentative figures.

PROF. C. LAKSHMANNA: Just now he slipped saying that as per the

figures available.. .Therefore, the figure is available. It will not be 15.9. At the end of the year it will be much more...

MR. CHAIRMAN; He is not talking about the full year.

PROF. C. LAKSHMANNA: He just now said. Otherwise I would not have ... *{Interruptions)*

SHRI JAGESH DESAI: The answer is not correct. No, Sir.

SHRI A. G. KULKARNI: It is misleading.

MR. CHAIRMAN; Question No. 288.

PROF. C. LAKSHMANNA; We want Half-an-hour discussion on this. It is a very important question. *(Inter, ruptions)* . .....

राष्ट्रीय वस्त्र निगम की मिलों को हुआ घाटा

***288. सरदार जगजीत सिंह अरोड़ा :†**
श्री राम जेठमलानी :

क्या **वस्त्र** मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या यह सच है कि राष्ट्रीय वस्त्र निगम द्वारा संचालित वस्त्र मिलों को 1987–88 में भारी घाटा हुआ है;

(ख) यदि हां, तो कितना घाटा हुआ है और कितनी वस्त्र मिलों को पिछले तीन वर्षों से लगातार घाटा हो रहा है;

(ग) निगम द्वारा संचालित कितनी मिलें लाभ में चल रही हैं; और

(घ) क्या यह भी सच है कि घाटे में चल रहीं ऐसी कई मिलों में अध्यक्ष अथवा प्रबन्ध निदेशक नहीं हैं और यदि हां, तो ऐसी मिलों की संख्या कितनी है?

†सभा में यह प्रश्न सरदार जगजीत सिंह अरोड़ा द्वारा पूछा गया।

वस्त्र मंत्रालय में राज्य मंत्री (श्री रफीक आलम) : (क) से (ग) एक विवरण-पत्र सभा पटल पर रख दिया गया है।

विवरण

(क) जी हां।

(ख) पिछले तीन वर्षों के दौरान राष्ट्रीय वस्त्र निगम की अधीनस्थ वस्त्र मिलों द्वारा उठाई गई निवल हानियों की राशि नीचे दर्शायी गई है :

वर्ष	कुल निवल हानियां (करोड़ रुपए)
1985–86	151.17
1986–87	214.00
1987–88 (अनन्तिम)	266.43

एन० टी० सी० के अन्तर्गत चल रही 123 वस्त्र मिलों में से 103 एककों में वर्ष 1985–86 से 1987–88 तक लगातार निवल हानियां होने की सूचना मिली है।

(ग) उन कम्पनियों की संख्या, जिन्हें पिछले तीन वर्षों में निवल लाभ हुए हैं, निम्नलिखित हैं :

वर्ष	एककों की संख्या
1985–86	18
1986–87	10
1987–88 (अनन्तिम)	8

(घ) इस समय एन०टी०सी० के अंतर्गत आने वाली वस्त्र मिलों की देखभाल करने वाले एन०टी०सी० के 9 सहायक निगमों में से तीन सहायक निगम नियमित अध्यक्ष-सह-प्रबन्ध निदेशक के बिना कार्य कर रहेहैं।